

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 1219

To reform the financing of Federal elections, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 7 (legislative day, SEPTEMBER 5), 1995

Mr. MCCAIN (for himself, Mr. FEINGOLD, Mr. THOMPSON, Mr. PELL, and Mr. WELLSTONE) introduced the following bill; which was read twice and referred to the Committee on Rules and Administration

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## A BILL

To reform the financing of Federal elections, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Senate Campaign  
5 Finance Reform Act of 1995”.

6       **SEC. 2. AMENDMENT OF CAMPAIGN ACT; TABLE OF CON-**  
7       **TENTS.**

8       (a) AMENDMENT OF FECA.—When used in this Act,  
9 the term “FECA” means the Federal Election Campaign  
10 Act of 1971 (2 U.S.C. 431 et seq.).

1       (b) TABLE OF CONTENTS.—The table of contents of  
 2 this Act is as follows:

Sec. 1. Short title.

Sec. 2. Amendment of Campaign Act; table of contents.

TITLE I—SENATE ELECTION SPENDING LIMITS AND BENEFITS

Sec. 101. Senate election spending limits and benefits.

Sec. 102. Free broadcast time.

Sec. 103. Broadcast rates and preemption.

Sec. 104. Reduced postage rates.

Sec. 105. Contribution limit for eligible Senate candidates.

TITLE II—REDUCTION OF SPECIAL INTEREST INFLUENCE

Subtitle A—Elimination of Political Action Committees From Federal  
 Election Activities

Sec. 201. Ban on activities of political action committees in Federal elections.

Subtitle B—Provisions Relating to Soft Money of Political Parties

Subtitle C—Soft Money of Persons Other Than Political Parties

Sec. 221. Soft money of persons other than political parties.

Subtitle D—Contributions

Sec. 231. Contributions through intermediaries and conduits.

Subtitle E—Additional Contribution Limits

Sec. 241. Allowable contributions for complying candidates.

Subtitle F—Independent Expenditures

Sec. 251. Clarification of definitions relating to independent expenditures.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Restrictions on use of campaign funds for personal purposes.

Sec. 302. Campaign advertising amendments.

Sec. 303. Filing procedures.

Sec. 304. Audits.

Sec. 305. Limit on congressional use of the franking privilege.

Sec. 306. Authority to seek injunction.

Sec. 307. Severability.

Sec. 308. Expedited review of constitutional issues.

Sec. 309. Reporting Requirements.

Sec. 310. Effective date.

Sec. 311. Regulations.

1 **TITLE I—SENATE ELECTION**  
 2 **SPENDING LIMITS AND BENE-**  
 3 **FITS**

4 **SEC. 101. SENATE ELECTION SPENDING LIMITS AND BENE-**  
 5 **FITS.**

6 (a) IN GENERAL.—FECA is amended by adding at  
 7 the end the following new title:

8 **“TITLE V—SPENDING LIMITS**  
 9 **AND BENEFITS FOR SENATE**  
 10 **ELECTION CAMPAIGNS**

11 **“SEC. 501. CANDIDATES ELIGIBLE TO RECEIVE BENEFITS.**

12 “(a) IN GENERAL.—For purposes of this title, a can-  
 13 didate is an eligible Senate candidate if the candidate—

14 “(1) meets the primary and general election fil-  
 15 ing requirements of subsections (c) and (d);

16 “(2) meets the primary and runoff election ex-  
 17 penditure limits of subsection (b);

18 “(3) meets the threshold contribution require-  
 19 ments of subsection (e); and

20 “(4) does not exceed the limitation on expendi-  
 21 tures from personal funds under section 502(a).

22 “(b) PRIMARY AND RUNOFF EXPENDITURE LIM-  
 23 ITS.—

24 “(1) IN GENERAL.—The requirements of this  
 25 subsection are met if—

1           “(A) the candidate or the candidate’s au-  
2           thorized committees did not make expenditures  
3           for the primary election in excess of the lesser  
4           of—

5                   “(i) 67 percent of the general election  
6                   expenditure limit under section 502(b); or

7                   “(ii) \$2,750,000; and

8           “(B) the candidate and the candidate’s au-  
9           thorized committees did not make expenditures  
10          for any runoff election in excess of 20 percent  
11          of the general election expenditure limit under  
12          section 502(b).

13          “(2) INDEXING.—The \$2,750,000 amount  
14          under paragraph (1)(A)(ii) shall be increased as of  
15          the beginning of each calendar year based on the in-  
16          crease in the price index determined under section  
17          315(c), except that the base period shall be calendar  
18          year 1995.

19          “(c) PRIMARY FILING REQUIREMENTS.—

20               “(1) IN GENERAL.—The requirements of this  
21          subsection are met if the candidate files with the  
22          Secretary of the Senate a certification that—

23                   “(A) the candidate and the candidate’s au-  
24                   thorized committees—

1           “(i) will meet the primary and runoff  
2           election expenditure limits of subsection  
3           (b); and

4           “(ii) will only accept contributions for  
5           the primary and runoff elections which do  
6           not exceed such limits;

7           “(B) the candidate and the candidate’s au-  
8           thorized committees will meet the limitation on  
9           expenditures from personal funds under section  
10          502(a); and

11          “(C) the candidate and the candidate’s au-  
12          thorized committees will meet the general elec-  
13          tion expenditure limit under section 502(b).

14          “(2) DEADLINE FOR FILING CERTIFICATION.—  
15          The certification under paragraph (1) shall be filed  
16          not later than the date the candidate files as a can-  
17          didate for the primary election.

18          “(d) GENERAL ELECTION FILING REQUIREMENTS.—

19               “(1) IN GENERAL.—The requirements of this  
20               subsection are met if the candidate files a certifi-  
21               cation with the Secretary of the Senate under pen-  
22               alty of perjury that—

23               “(A) the candidate and the candidate’s au-  
24               thorized committees—

1           “(i) met the primary and runoff elec-  
2           tion expenditure limits under subsection  
3           (b); and

4           “(ii) did not accept contributions for  
5           the primary or runoff election in excess of  
6           the primary or runoff expenditure limit  
7           under subsection (b), whichever is applica-  
8           ble, reduced by any amounts transferred to  
9           this election cycle from a preceding election  
10          cycle;

11          “(B) at least one other candidate has  
12          qualified for the same general election ballot  
13          under the law of the State involved;

14          “(C) the candidate and the authorized  
15          committees of the candidate—

16               “(i) except as otherwise provided by  
17               this title, will not make expenditures that  
18               exceed the general election expenditure  
19               limit under section 502(b);

20               “(ii) will not accept any contributions  
21               in violation of section 315; and

22               “(iii) except as otherwise provided by  
23               this title, will not accept any contribution  
24               for the general election involved to the ex-  
25               tent that such contribution would cause

1 the aggregate amount of contributions to  
2 exceed the sum of the amount of the gen-  
3 eral election expenditure limit under sec-  
4 tion 502(b), reduced by any amounts  
5 transferred to this election cycle from a  
6 previous election cycle and not taken into  
7 account under subparagraph (A)(ii); and

8 “(D) the candidate intends to make use of  
9 the benefits provided under section 503.

10 “(2) DEADLINE FOR FILING CERTIFICATION.—

11 The certification under paragraph (1) shall be filed  
12 not later than 7 days after the earlier of—

13 “(A) the date the candidate qualifies for  
14 the general election ballot under State law; or

15 “(B) if under State law, a primary or run-  
16 off election to qualify for the general election  
17 ballot occurs after September 1, the date the  
18 candidate wins the primary or runoff election.

19 “(e) THRESHOLD CONTRIBUTION REQUIREMENTS.—

20 “(1) IN GENERAL.—The requirements of this  
21 subsection are met if the candidate and the can-  
22 didate’s authorized committees have received allow-  
23 able contributions during the applicable period in an  
24 amount at least equal to the lesser of—

1           “(A) 10 percent of the general election ex-  
2           penditure limit under section 502(b); or

3           “(B) \$250,000.

4           “(2) DEFINITIONS.—For purposes of this  
5           Act—

6           “(A) the term ‘allowable contributions’  
7           means contributions that are made as gifts of  
8           money by an individual pursuant to a written  
9           instrument identifying such individual as the  
10          contributor, except that such term shall not in-  
11          clude contributions from individuals residing  
12          outside the candidate’s State to the extent such  
13          contributions exceed 40 percent of the aggre-  
14          gate allowable contributions (without regard to  
15          this subparagraph) received by the candidate  
16          during the applicable period; and

17          “(B) the term ‘applicable period’ means—

18                  “(i) the period beginning on January  
19                  1 of the calendar year preceding the cal-  
20                  endar year of the general election involved  
21                  and ending on the date on which the cer-  
22                  tification under subsection (c)(2) is filed by  
23                  the candidate; or

24                  “(ii) in the case of a special election  
25                  for the office of United States Senator, the



1 period beginning on the date the vacancy  
 2 in such office occurs and ending on the  
 3 date of the general election.

4 **“SEC. 502. LIMITATION ON EXPENDITURES.**

5 “(a) LIMITATION ON USE OF PERSONAL FUNDS.—

6 “(1) IN GENERAL.—The aggregate amount of  
 7 expenditures that may be made during an election  
 8 cycle by an eligible Senate candidate or such can-  
 9 didate’s authorized committees from the sources de-  
 10 scribed in paragraph (2) shall not exceed the lesser  
 11 of—

12 “(A) 10 percent of the general election ex-  
 13 penditure limit under subsection (b); or

14 “(B) \$250,000.

15 “(2) SOURCES.—A source is described in this  
 16 subsection if it is—

17 “(A) personal funds of the candidate and  
 18 members of the candidate’s immediate family;  
 19 or

20 “(B) personal loans incurred by the can-  
 21 didate and members of the candidate’s imme-  
 22 diate family.

23 “(3) AMENDED DECLARATION.—A candidate  
 24 who—

1           “(A) declares, pursuant to this Act, that  
 2           the candidate does not intend to expend funds  
 3           described in paragraph (2) in excess of  
 4           \$250,000; and

5           “(B) subsequently changes such declara-  
 6           tion or expends such funds in excess of that  
 7           amount,

8           shall file an amended declaration with the Commis-  
 9           sion and notify all other candidates for the same of-  
 10          fice not later than 24 hours after changing such dec-  
 11          laration or exceeding such limits, whichever first oc-  
 12          curs, by sending a notice by certified mail, return re-  
 13          ceipt requested.

14          “(b) GENERAL ELECTION EXPENDITURE LIMIT.—

15           “(1) IN GENERAL.—Except as otherwise pro-  
 16           vided in this title, the aggregate amount of expendi-  
 17           tures for a general election by an eligible Senate  
 18           candidate and the candidate’s authorized committees  
 19           shall not exceed the lesser of—

20                   “(A) \$5,500,000; or

21                   “(B) the greater of—

22                           “(i) \$950,000; or

23                           “(ii) \$400,000; plus

1                   “(I) 30 cents multiplied by the  
2                   voting age population not in excess of  
3                   4,000,000; and

4                   “(II) 25 cents multiplied by the  
5                   voting age population in excess of  
6                   4,000,000.

7                   “(2) EXCEPTION.—In the case of an eligible  
8                   Senate candidate in a State that has not more than  
9                   1 transmitter for a commercial Very High Fre-  
10                  quency (VHF) television station licensed to operate  
11                  in that State, paragraph (1)(B)(ii) shall be applied  
12                  by substituting—

13                   “(A) ‘80 cents’ for ‘30 cents’ in subclause  
14                   (I); and

15                   “(B) ‘70 cents’ for ‘25 cents’ in subclause  
16                   (II).

17                   “(3) INDEXING.—The amount otherwise deter-  
18                   mined under paragraph (1) for any calendar year  
19                   shall be increased by the same percentage as the  
20                   percentage increase for such calendar year under  
21                   section 501(b)(2).

22                   “(c) PAYMENT OF TAXES.—The limitation under  
23                   subsection (b) shall not apply to any expenditure for Fed-  
24                   eral, State, or local taxes with respect to earnings on con-  
25                   tributions raised.

1       “(d) SPECIAL EXCEPTION FOR COMPLYING CAN-  
 2 DIDATES RUNNING AGAINST NON-COMPLYING CAN-  
 3 DIDATES.—If in the case of an election with more than  
 4 one candidate where one or more candidates who have re-  
 5 ceived contributions in excess of 10 percent of the general  
 6 election limits contained in this Act or has expended per-  
 7 sonal funds in excess of 10 percent of the general election  
 8 limits contained in this Act choose not to comply with the  
 9 provisions of this Act or violate the limitations on expendi-  
 10 tures contained in this Act, such limitations contained in  
 11 section 502(b) of this Act for the complying candidate(s)  
 12 shall be increased by 20 percent.”

13   **“SEC. 503. BENEFITS ELIGIBLE CANDIDATES ENTITLED TO**  
 14                               **RECEIVE.**

15       “An eligible Senate candidate shall be entitled to  
 16 receive—

17               “(1) the broadcast media rates provided under  
 18               section 315(b) of the Communications Act of 1934;

19               “(2) the free broadcast time provided under  
 20               section 315(c) of such Act; and

21               “(3) the reduced postage rates provided in sec-  
 22               tion 3626(e) of title 39, United States Code.

23   **“SEC. 504. CERTIFICATION BY COMMISSION.**

24       “(a) IN GENERAL.—Not later than 48 hours after  
 25 an eligible candidate qualifies for a general election ballot,

1 the Commission shall certify the candidate's eligibility for  
2 free broadcast time under section 315(b)(2) of the Com-  
3 munications Act of 1934. The Commission shall revoke  
4 such certification if it determines a candidate fails to con-  
5 tinue to meet the requirements of this title.

6 “(b) DETERMINATIONS BY COMMISSION.—All deter-  
7 minations (including certifications under subsection (a))  
8 made by the Commission under this title shall be final,  
9 except to the extent that they are subject to examination  
10 and audit by the Commission under section 505.

11 **“SEC. 505. REPAYMENTS; ADDITIONAL CIVIL PENALTIES.**

12 “(a) EXCESS PAYMENTS; REVOCATION OF STA-  
13 TUS.—If the Commission revokes the certification of a  
14 candidate as an eligible Senate candidate under section  
15 504(a), the Commission shall notify the candidate, and the  
16 candidate shall pay an amount equal to the value of the  
17 benefits received under this title.

18 “(b) MISUSE OF BENEFITS.—If the Commission de-  
19 termines that any benefit made available to an eligible  
20 Senate candidate under this title was not used as provided  
21 for in this title, or that a candidate has violated any of  
22 the spending limits contained in this Act, the Commission  
23 shall so notify the candidate and the candidate shall pay  
24 an amount equal to the value of such benefit.”.

1 (b) TRANSITION PERIOD.—Expenditures made be-  
2 fore January 1, 1997, shall not be counted as expenditures  
3 for purposes of the limitations contained in the amend-  
4 ment made by subsection (a).

5 **SEC. 102. FREE BROADCAST TIME.**

6 (a) IN GENERAL.—Section 315 of the Communica-  
7 tions Act of 1934 (47 U.S.C. 315) is amended—

8 (1) in subsection (a)—

9 (A) by striking “within the meaning of this  
10 subsection” and inserting “within the meaning  
11 of this subsection and subsection (c)”;

12 (B) by redesignating subsections (c) and  
13 (d) as subsections (d) and (e), respectively; and

14 (C) by inserting immediately after sub-  
15 section (b) the following new subsection:

16 “(c)(1) An eligible Senate candidate who has quali-  
17 fied for the general election ballot shall be entitled to re-  
18 ceive a total of 30 minutes of free broadcast time from  
19 broadcasting stations within the State or an adjacent  
20 State.

21 “(2)(A) Unless a candidate elects otherwise, the  
22 broadcast time made available under this subsection shall  
23 be between 6:00 p.m. and 10:00 p.m. on any day that falls  
24 on Monday through Friday.

1       “(B) Except as otherwise provided in this Act, a can-  
2 didate may use such time as the candidate elects except  
3 that such time may not be used in intervals of less than  
4 30 seconds or more than 5 minutes.

5       “(C) A candidate may not request more than 15 min-  
6 utes of free broadcast time be aired by any one broadcast-  
7 ing station.

8       “(3)(A) In the case of an election among more than  
9 2 candidates, the broadcast time provided under para-  
10 graph (1) shall be allocated as follows:

11           “(i) The amount of broadcast time that shall be  
12 provided to the candidate of a minor party shall be  
13 equal to the number of minutes allocable to the  
14 State multiplied by the percentage of the number of  
15 popular votes received by the candidate of that party  
16 in the preceding general election for the Senate in  
17 the State (or if subsection (d)(4)(B) applies, the per-  
18 centage determined under such subsection).

19           “(ii) The amount of broadcast time remaining  
20 after assignment of broadcast time to minor party  
21 candidates under clause (i) shall be allocated equally  
22 between the major party candidates.

23       “(B) In the case of an election where only 1 candidate  
24 qualifies to be on the general election ballot, no time shall

1 be required to be provided by a licensee under this sub-  
2 section.

3 “(4) The Federal Election Commission shall by regu-  
4 lation exempt from the requirements of this subsection—

5 “(A) a licensee whose signal is broadcast sub-  
6 stantially nationwide; and

7 “(B) a licensee that establishes that such re-  
8 quirements would impose a significant economic  
9 hardship on the licensee.”; and

10 (2) in subsection (d), as redesignated—

11 (A) by striking “and” at the end of para-  
12 graph (1);

13 (B) by striking the period at the end of  
14 paragraph (2) and inserting a semicolon; and

15 (C) by adding at the end the following new  
16 paragraphs:

17 “(3) the term ‘major party’ means, with respect  
18 to an election for the United States Senate in a  
19 State, a political party whose candidate for the Unit-  
20 ed States Senate in the preceding general election  
21 for the Senate in that State received, as a candidate  
22 of that party, 25 percent or more of the number of  
23 popular votes received by all candidates for the Sen-  
24 ate;



1           “(4) the term ‘minor party’ means, with respect  
2           to an election for the United States Senate in a  
3           State, a political party—

4                   “(A) whose candidate for the United  
5           States Senate in the preceding general election  
6           for the Senate in that State received 5 percent  
7           or more but less than 25 percent of the number  
8           of popular votes received by all candidates for  
9           the Senate; or

10                   “(B) whose candidate for the United  
11           States Senate in the current general election for  
12           the Senate in that State has obtained the signa-  
13           tures of at least 5 percent of the State’s reg-  
14           istered voters, as determined by the chief voter  
15           registration official of the State, in support of  
16           a petition for an allocation of free broadcast  
17           time under this subsection; and

18           “(5) the term ‘Senate election cycle’ means,  
19           with respect to an election to a seat in the United  
20           States Senate, the 6-year period ending on the date  
21           of the general election for that seat.”.

22           (b) EFFECTIVE DATE.—The amendments made by  
23           this section shall apply to general elections occurring after  
24           December 31, 1996 (and the election cycles relating there-  
25           to).

1 **SEC. 103. BROADCAST RATES AND PREEMPTION.**

2 (a) BROADCAST RATES.—Section 315(b) of the Com-  
3 munications Act of 1934 (47 U.S.C. 315(b)) is amended—

4 (1) by striking “(b) The changes” and inserting  
5 “(b)(1) The changes”;

6 (2) by redesignating paragraphs (1) and (2) as  
7 subparagraphs (A) and (B), respectively;

8 (3) in paragraph (1)(A), as redesignated—

9 (A) by striking “forty-five” and inserting  
10 “30”; and

11 (B) by striking “lowest unit charge of the  
12 station for the same class and amount of time  
13 for the same period” and inserting “lowest  
14 charge of the station for the same amount of  
15 time for the same period on the same date”;  
16 and

17 (4) by adding at the end the following new  
18 paragraph:

19 “(2) In the case of an eligible Senate candidate (as  
20 described in section 501(a) of the Federal Election Cam-  
21 paign Act), the charges for the use of a television broad-  
22 casting station during the 30-day period and 60-day pe-  
23 riod referred to in paragraph (1)(A) shall not exceed 50  
24 percent of the lowest charge described in paragraph  
25 (1)(A).”.

1 (b) PREEMPTION; ACCESS.—Section 315 of such Act  
2 (47 U.S.C. 315), as amended by section 102(a), is amend-  
3 ed—

4 (1) by redesignating subsections (d) and (e) as  
5 redesignated, as subsections (e) and (f), respectively;  
6 and

7 (2) by inserting immediately after subsection  
8 (c) the following subsection:

9 “(d)(1) Except as provided in paragraph (2), a li-  
10 censee shall not preempt the use, during any period speci-  
11 fied in subsection (b)(1)(A), of a broadcasting station by  
12 an eligible Senate candidate who has purchased and paid  
13 for such use pursuant to subsection (b)(2).

14 “(2) If a program to be broadcast by a broadcasting  
15 station is preempted because of circumstances beyond the  
16 control of the broadcasting station, any candidate adver-  
17 tising spot scheduled to be broadcast during that program  
18 may also be preempted.”.

19 (c) REVOCATION OF LICENSE FOR FAILURE TO PER-  
20 MIT ACCESS.—Section 312(a)(7) of the Communications  
21 Act of 1934 (47 U.S.C. 312(a)(7)) is amended—

22 (1) by striking “or repeated”;

23 (2) by inserting “or cable system” after “broad-  
24 casting station”; and

1           (3) by striking “his candidacy” and inserting  
 2           “the candidacy of such person, under the same  
 3           terms, conditions, and business practices as apply to  
 4           its most favored advertiser”.

5           (d) EFFECTIVE DATE.—The amendments made by  
 6           this section shall apply to the general elections occurring  
 7           after December 31, 1995 (and the election cycles relating  
 8           thereto).

9           **SEC. 104. REDUCED POSTAGE RATES.**

10          (a) IN GENERAL.—Section 3626(e) of title 39, Unit-  
 11          ed States Code, is amended—

12               (1) in paragraph (2)—

13                   (A) in subparagraph (A)—

14                           (i) by striking “and the National” and  
 15                           inserting “the National”; and

16                           (ii) by inserting before the semicolon  
 17                           the following: “, and, subject to paragraph  
 18                           (3), the principal campaign committee of  
 19                           an eligible Senate candidate;”;

20                   (B) in subparagraph (B), by striking  
 21                   “and” after the semicolon;

22                   (C) in subparagraph (C), by striking the  
 23                   period and inserting a semicolon; and

24                   (D) by adding after subparagraph (C) the  
 25                   following new subparagraphs:

1 “(D) the term ‘principal campaign committee’  
 2 has the meaning given such term in section 301 of  
 3 the Federal Election Campaign Act of 1971; and

4 “(E) the term ‘eligible Senate candidate’ has  
 5 the meaning given such term in section 501(a) of  
 6 the Federal Election Campaign Act of 1971.”; and

7 (2) by adding after paragraph (2) the following  
 8 new paragraph:

9 “(3) The rate made available under this subsection  
 10 with respect to an eligible Senate candidate shall apply  
 11 only to that number of pieces of mail equal to 2 times  
 12 the number of individuals in the voting age population (as  
 13 certified under section 315(e) of such Act) of the State.”.

14 (b) EFFECTIVE DATE.—The amendments made by  
 15 this section shall apply to the general elections occurring  
 16 after December 31, 1996 (and the election cycles relating  
 17 thereto).

18 **SEC. 105. CONTRIBUTION LIMIT FOR ELIGIBLE SENATE**  
 19 **CANDIDATES.**

20 Section 315(a)(1) of FECA (2 U.S.C. 441a(a)(1)) is  
 21 amended—

22 (1) by inserting “except as provided in subpara-  
 23 graph (B),” before “to” in subparagraph (A);

24 (2) by redesignating subparagraphs (B) and  
 25 (C) as subparagraphs (C) and (D), respectively; and

(3) by inserting immediately after subparagraph (A) the following new subparagraph:

“(B) to any eligible Senate candidate and the authorized political committees of such candidate with respect to any election for the office of United States Senator (if any other Senate candidate chooses not to comply with the expenditure limits contained in this Act and has received contributions in excess of 10 percent of the general election limits contained in this Act or has expended personal funds in excess of 10 percent of the general election limits contained in this Act) which, in the aggregate, exceed \$2,000;”.

**TITLE II—REDUCTION OF  
SPECIAL INTEREST INFLUENCE  
Subtitle A—Elimination of Political  
Action Committees From Federal  
Election Activities**

**SEC. 201. BAN ON ACTIVITIES OF POLITICAL ACTION COMMITTEES IN FEDERAL ELECTIONS.**

(a) IN GENERAL.—Title III of FECA (2 U.S.C. 301 et seq.) is amended by adding at the end the following new section:

1 “BAN ON FEDERAL ELECTION ACTIVITIES BY POLITICAL  
2 ACTION COMMITTEES

3 “SEC. 324. Notwithstanding any other provision of  
4 this Act, no person other than an individual or a political  
5 committee may make contributions, solicit or receive con-  
6 tributions, or make expenditures for the purpose of influ-  
7 encing an election for Federal office.”.

8 (b) DEFINITION OF POLITICAL COMMITTEE.—(1)  
9 Section 301(4) of FECA (2 U.S.C. 431(4)) is amended  
10 to read as follows:

11 “(4) The term ‘political committee’ means—

12 “(A) the principal campaign committee of  
13 a candidate;

14 “(B) any national, State, or district com-  
15 mittee of a political party, including any subor-  
16 dinate committee thereof;

17 “(C) any local committee of a political  
18 party that—

19 “(i) receives contributions aggregating  
20 in excess of \$5,000 during a calendar year;

21 “(ii) makes payments exempted from  
22 the definition of contribution or expendi-  
23 ture under paragraph (8) or (9) aggregat-  
24 ing in excess of \$5,000 during a calendar  
25 year; or

1           “(iii) makes contributions or expendi-  
 2           tures aggregating in excess of \$1,000 dur-  
 3           ing a calendar year; and

4           “(D) any committee jointly established by  
 5           a principal campaign committee and any com-  
 6           mittee described in subparagraph (B) or (C) for  
 7           the purpose of conducting joint fundraising ac-  
 8           tivities.”.

9           (2) Section 316(b)(2) of FECA (2 U.S.C.  
 10 441b(b)(2)) is amended—

11           (A) by inserting “or” after “subject;”;

12           (B) by striking “and their families; and” and  
 13           inserting “and their families.”; and

14           (C) by striking subparagraph (C).

15           (c) CANDIDATE’S COMMITTEES.—(1) Section 315(a)  
 16 of FECA (2 U.S.C. 441a(a)) is amended by adding at the  
 17 end the following new paragraph:

18           “(9) For the purposes of the limitations provided by  
 19 paragraphs (1) and (2), any political committee that is  
 20 established, financed, maintained, or controlled, directly or  
 21 indirectly, by any candidate or Federal officeholder shall  
 22 be deemed to be an authorized committee of such can-  
 23 didate or officeholder.”.

24           (2) Section 302(e)(3) of FECA (2 U.S.C. 432) is  
 25 amended to read as follows:



1 “(3) No political committee that supports, or has  
 2 supported, more than one candidate may be designated as  
 3 an authorized committee, except that—

4 “(A) a candidate for the office of President  
 5 nominated by a political party may designate the na-  
 6 tional committee of such political party as the can-  
 7 didate’s principal campaign committee, if that na-  
 8 tional committee maintains separate books of ac-  
 9 count with respect to its functions as a principal  
 10 campaign committee; and

11 “(B) a candidate may designate a political com-  
 12 mittee established solely for the purpose of joint  
 13 fundraising by such candidates as an authorized  
 14 committee.”.

15 (d) RULES APPLICABLE WHEN BAN NOT IN EF-  
 16 FECT.—(1) For purposes of FECA, during any period be-  
 17 ginning after the effective date in which the limitation  
 18 under section 324 of that Act (as added by subsection (a))  
 19 is not in effect—

20 (A) the amendments made by subsections (a),  
 21 (b), and (c) shall not be in effect;

22 (B) it shall be unlawful for a multicandidate  
 23 political committee, intermediary, or conduit (as that  
 24 term is defined in section 315(a)(8) of FECA, as  
 25 amended by section 231 of this Act), to make a con-

1       tribution to a candidate for election, or nomination  
2       for election, to Federal office (or an authorized com-  
3       mittee) to the extent that the making or accepting  
4       of the contribution will cause the amount of con-  
5       tributions received by the candidate and the can-  
6       didate's authorized committees from multicandidate  
7       political committees to exceed 20 percent of the ag-  
8       gregate Federal election spending limits applicable  
9       to the candidate for the election cycle; and

10       (C) it shall be unlawful for a political commit-  
11       tee, intermediary, or conduit, as that term is defined  
12       in section 315(a)(8) of FECA (as amended by sec-  
13       tion 231 of this Act), to make a contribution to a  
14       candidate for election, or a nomination for an elec-  
15       tion, to Federal office (or an authorized committee  
16       of such candidate) in excess of the amount an indi-  
17       vidual is allowed to give directly to a candidate or  
18       a candidate's authorized committee.

19       (2) A candidate or authorized committee that receives  
20       a contribution from a multicandidate political committee  
21       in excess of the amount allowed under paragraph (1)(B)  
22       shall return the amount of such excess contribution to the  
23       contributor.

1   **Subtitle B—Provisions Relating to**  
2   **Soft Money of Political Parties**

3   **SEC. 211.**

4       A national committee of a political party, including  
5 the national congressional campaign committees of a polit-  
6 ical party, and any officers or agents of such party com-  
7 mittees, shall not solicit or receive any contributions, do-  
8 nations, or transfers of funds, or spend any funds, not  
9 subject to the limitations, prohibitions, and reporting re-  
10 quirements of this Act. This provision shall apply to any  
11 entity that is established, financed, maintained or con-  
12 trolled by a national committee of a political party, includ-  
13 ing the national congressional campaign committees of a  
14 political party, and any officer or agents of such party  
15 committees, other than an entity that is regulated by sec-  
16 tion (2) below.

17   **SEC. 212.**

18       (a) Any amount expended or disbursed by a State,  
19 district, or local committee of a political party, during a  
20 calendar year in which a Federal election is held, for any  
21 activity which might affect the outcome of a Federal elec-  
22 tion, including but not limited to any voter registration  
23 and get-out-the-vote activity, any generic campaign activ-  
24 ity, and any communication that identifies a Federal can-  
25 didate (regardless of whether a State or local candidate

1 is also mentioned or identified) shall be made from funds  
2 subject to the limitations, prohibitions and reporting re-  
3 quirements of this Act.

4 (b) Paragraph (a) shall not apply to expenditures or  
5 disbursements made by a State, district or local committee  
6 of a political party for—

7 (1) a contribution to a candidate other than for  
8 Federal office, provided that such contribution is not  
9 designated or otherwise earmarked to pay for activi-  
10 ties described in subparagraph (a) above;

11 (2) the costs of a State or district/local political  
12 convention;

13 (3) the non-Federal share of a State, district or  
14 local party committee's administrative and overhead  
15 expenses (but not including the compensation in any  
16 month of any individual who spends more than 20  
17 percent of his or her time on activity during such  
18 month which may affect the outcome of a Federal  
19 election). For purposes of this provision, the non-  
20 federal share of a party committee's administrative  
21 and overhead expenses shall be determined by apply-  
22 ing the ratio of the non-Federal disbursements to  
23 the total Federal expenditures and non-Federal dis-  
24 bursements made by the committee during the pre-  
25 vious presidential election year to the committee's

1 administrative and overhead expenses in the election  
2 year in question;

3 (4) the costs of grassroots campaign materials,  
4 including buttons, bumperstickers, and yard signs,  
5 which material solely name or depict a State or local  
6 candidate; and

7 (5) the cost of any campaign activity conducted  
8 solely on behalf of a clearly identified State or local  
9 candidate, provided that such activity is not covered  
10 by subparagraph (a) above.

11 (c) Any amount spent by a national, State, district  
12 or local committee or entity of a political party to raise  
13 funds that are used, in whole or in part, to pay the costs  
14 of any activity covered by paragraph 2(a) above shall be  
15 made from funds subject to the limitations, prohibitions,  
16 and reporting requirements of this Act.

17 This provision shall apply to any entity that is estab-  
18 lished, financed, maintained, or controlled by a State, dis-  
19 trict or local committee of a political party or any agent  
20 or officer of such party committee in the same manner  
21 as it applies to that committee.

22 **SEC. 213.**

23 No national, State, district or local committee of a  
24 political party shall solicit any funds for or make any do-

1 nations to any organization that is exempt from Federal  
2 taxation under 26 U.S.C. 501(c).

3 **SEC. 214.**

4 No candidate for Federal office, individual holding  
5 Federal office, or any agent of such candidate or office-  
6 holder, may solicit or receive any funds in connection with  
7 any Federal election unless such funds are subject to the  
8 limitations, prohibitions and reporting requirements of  
9 this Act; This provision shall not apply to the solicitation  
10 or receipt of funds by an individual who is a candidate  
11 for a non-Federal office if such activity is permitted under  
12 State law for such individual's non-Federal campaign com-  
13 mittee.

14 **SEC. 215. REPORTING REQUIREMENTS.**

15 (a) REPORTING REQUIREMENTS.—Section 304 of  
16 FECA (2 U.S.C. 434) is amended by adding at the end  
17 the following new subsection:

18 “(d) POLITICAL COMMITTEES.—(1) The national  
19 committee of a political party, any congressional campaign  
20 committee of a political party, and any subordinate com-  
21 mittee of either, shall report all receipts and disburse-  
22 ments during the reporting period, whether or not in con-  
23 nection with an election for Federal office.

24 “(2) A political committee (not described in para-  
25 graph (1)) to which section 325 applies shall report all

1 receipts and disbursements including separate schedules  
2 for receipts and disbursements for any State Party Grass-  
3 roots Fund described in section 301(21).

4 “(3) Any political committee to which section 325 ap-  
5 plies shall include in its report under paragraph (1) or  
6 (2) the amount of any transfer described in section  
7 325(d)(2) and shall itemize such amounts to the extent  
8 required by subsection (b)(3)(A).

9 “(4) Any political committee to which paragraph (1)  
10 or (2) does not apply shall report any receipts or disburse-  
11 ments that are used in connection with a Federal election.

12 “(5) If a political committee has receipts or disburse-  
13 ments to which this subsection applies from any person  
14 aggregating in excess of \$200 for any calendar year, the  
15 political committee shall separately itemize its reporting  
16 for such person in the same manner as required in sub-  
17 section (b) (3)(A), (5), or (6).

18 “(6) Reports required to be filed under this sub-  
19 section shall be filed for the same time periods required  
20 for political committees under subsection (a).”.

21 (b) REPORT OF EXEMPT CONTRIBUTIONS.—Section  
22 301(8) of FECA (2 U.S.C. 431(8)) is amended by insert-  
23 ing at the end the following:

24 “(C) The exclusion provided in subpara-  
25 graph (B)(viii) shall not apply for purposes of

1           any requirement to report contributions under  
 2           this Act, and all such contributions aggregating  
 3           in excess of \$200 shall be reported.”.

4           (c) REPORTS BY STATE COMMITTEES.—Section 304  
 5 of FECA (2 U.S.C. 434), as amended by subsection (a),  
 6 is amended by adding at the end the following new sub-  
 7 section:

8           “(e) FILING OF STATE REPORTS.—In lieu of any re-  
 9 port required to be filed by this Act, the Commission may  
 10 allow a State committee of a political party to file with  
 11 the Commission a report required to be filed under State  
 12 law if the Commission determines such reports contain  
 13 substantially the same information.”.

14          (d) OTHER REPORTING REQUIREMENTS.—

15           (1) AUTHORIZED COMMITTEES.—Section  
 16 304(b)(4) of FECA (2 U.S.C. 434(b)(4)) is amend-  
 17 ed—

18                   (A) by striking “and” at the end of sub-  
 19 paragraph (H);

20                   (B) by inserting “and” at the end of sub-  
 21 paragraph (I); and

22                   (C) by adding at the end the following new  
 23 subparagraph:

24                           “(J) in the case of an authorized commit-  
 25 tee, disbursements for the primary election, the



1           general election, and any other election in which  
2           the candidate participates;”.

3           (2)     NAMES     AND     ADDRESSES.—Section  
4     304(b)(5)(A) of FECA (2 U.S.C. 434(b)(5)(A)) is  
5     amended—

6                     (A) by striking “within the calendar year”;  
7           and

8                     (B) by inserting “, and the election to  
9           which the operating expenditure relates” after  
10          “operating expenditure”.

## 11     **Subtitle C—Soft Money of Persons** 12     **Other Than Political Parties**

### 13     **SEC. 221. SOFT MONEY OF PERSONS OTHER THAN POLITI-** 14     **CAL PARTIES.**

15       Section 304 of FECA (2 U.S.C. 434), as amended  
16 by section 215(c), is amended by adding at the end the  
17 following new subsection:

18       “(f) ELECTION ACTIVITY OF PERSONS OTHER THAN  
19 POLITICAL PARTIES.—(1)(A)(i) If any person to which  
20 section 325 does not apply makes (or obligates to make)  
21 disbursements for activities described in section 325(b) in  
22 excess of \$2,000, such person shall file a statement—

23                     “(I) on or before the date that is 48 hours be-  
24       fore the disbursements (or obligations) are made; or

1           “(II) in the case of disbursements (or obliga-  
2           tions) that are required to be made within 14 days  
3           of the election, on or before such 14th day.

4           “(ii) An additional statement shall be filed each time  
5           additional disbursements aggregating \$2,000 are made (or  
6           obligated to be made) by a person described in clause (i).

7           “(B) This paragraph shall not apply to—

8                 “(i) a candidate or a candidate’s authorized  
9                 committees; or

10                “(ii) an independent expenditure (as defined in  
11                section 301(17)).

12           “(2) Any statement under this section shall be filed  
13           with the Secretary of the Senate or the Clerk of the House  
14           of Representatives, and the Secretary of State (or equiva-  
15           lent official) of the State involved, as appropriate, and  
16           shall contain such information as the Commission shall  
17           prescribe, including whether the disbursement is in sup-  
18           port of, or in opposition to, 1 or more candidates or any  
19           political party. The Secretary of the Senate or Clerk of  
20           the House of Representatives shall, as soon as possible  
21           (but not later than 24 hours after receipt), transmit a  
22           statement to the Commission. Not later than 48 hours  
23           after receipt, the Commission shall transmit the statement  
24           to—

1           “(A) the candidates or political parties involved;  
2           or

3           “(B) if the disbursement is not in support of,  
4           or in opposition to, a candidate or political party,  
5           the State committees of each political party in the  
6           State involved.

7           “(3) The Commission may make its own determina-  
8           tion that disbursements described in paragraph (1) have  
9           been made or are obligated to be made. The Commission  
10          shall notify the candidates or political parties described  
11          in paragraph (2) not later than 24 hours after its deter-  
12          mination.”.

## 13                   **Subtitle D—Contributions**

### 14   **SEC. 231. CONTRIBUTIONS THROUGH INTERMEDIARIES** 15                   **AND CONDUITS.**

16          Section 315(a)(8) of FECA (2 U.S.C. 441a(a)(8)) is  
17          amended to read as follows:

18               “(8) For the purposes of this subsection:

19                   “(A) Contributions made by a person, ei-  
20                   ther directly or indirectly, to or on behalf of a  
21                   particular candidate, including contributions  
22                   that are in any way earmarked or otherwise di-  
23                   rected through an intermediary or conduit to a  
24                   candidate, shall be treated as contributions  
25                   from the person to the candidate. If a contribu-

1           tion is made to a candidate through an  
2           intermediary or conduit, the intermediary or  
3           conduit shall report the original source and the  
4           intended recipient of the contribution to the  
5           Commission and the intended recipient.

6           “(B) Contributions made directly or indi-  
7           rectly by a person to or on behalf of a particu-  
8           lar candidate through an intermediary or con-  
9           duit, including contributions arranged to be  
10          made by an intermediary or conduit, shall be  
11          treated as contributions from the intermediary  
12          or conduit to the candidate if—

13               “(i) the contributions made through  
14               the intermediary or conduit are in the form  
15               of a check or other negotiable instrument  
16               made payable to the intermediary or con-  
17               duit rather than the intended recipient; or

18               “(ii) the intermediary or conduit is—

19                       “(I) a political committee, a po-  
20                       litical party, or an officer, employee,  
21                       or agent of either;

22                       “(II) a person whose activities  
23                       are required to be reported under sec-  
24                       tion 308 of the Federal Regulation of  
25                       Lobbying Act (2 U.S.C. 267), the

1 Foreign Agents Registration Act of  
2 1938 (22 U.S.C. 611 et seq.), or any  
3 successor Federal law requiring a per-  
4 son who is a lobbyist or foreign agent  
5 to report the activities of such person;

6 “(III) a person who is prohibited  
7 from making contributions under sec-  
8 tion 316 or a partnership; or

9 “(IV) an officer, employee, or  
10 agent of a person described in  
11 subclause (II) or (III) acting on be-  
12 half of such person.

13 “(C) The term ‘contributions arranged to  
14 be made’ includes—

15 “(i)(I) contributions delivered directly  
16 or indirectly to a particular candidate or  
17 the candidate’s authorized committee or  
18 agent by the person who facilitated the  
19 contribution; and

20 “(II) contributions made directly or  
21 indirectly to a particular candidate or the  
22 candidate’s authorized committee or agent  
23 that are provided at a fundraising event  
24 sponsored by an intermediary or conduit  
25 described in subparagraph (B);

(D) This paragraph shall not prohibit—

“(i) fundraising efforts for the benefit of a candidate that are conducted by another candidate or Federal officeholder; or

“(ii) the solicitation by an individual using the individual’s resources and acting in the individual’s own name of contributions from other persons in a manner not described in paragraphs (B) and (C).”.

## **Subtitle E—Additional Prohibitions on Contributions**

### **SEC. 241. ALLOWABLE CONTRIBUTIONS FOR COMPLYING CANDIDATES.**

For the purposes of this Act, in order for a candidate to be considered to be in compliance with the spending limits contained in this Act, not less than 60 percent of the total dollar amount of all contributions from individuals to a candidate or a candidate’s authorized committee, not including any expenditures, contributions or loans made by the candidate, shall come from individuals legally residing in the candidate’s State.

## **Subtitle F—Independent Expenditures**

### **SEC. 251. CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.**

(a) INDEPENDENT EXPENDITURE DEFINITION  
AMENDMENT.—Section 301 of FECA (2 U.S.C. 431) is  
amended by striking paragraphs (17) and (18) and insert-  
ing the following:

“(17)(A) The term ‘independent expenditure’ means  
an expenditure that—

“(i) contains express advocacy; and

“(ii) is made without the participation or co-  
operation of, or without the consultation of, a can-  
didate or a candidate’s representative.

“(B) The following shall not be considered an inde-  
pendent expenditure:

“(i) An expenditure made by—

“(I) an authorized committee of a can-  
didate for Federal office, or

“(II) a political committee of a political  
party.

“(ii) An expenditure if there is any arrange-  
ment, coordination, or direction with respect to the  
expenditure between the candidate or the candidate’s  
agent and the person making the expenditure.

1           “(iii) An expenditure if, in the same election  
2           cycle, the person making the expenditure is or has  
3           been—

4                   “(I) authorized to raise or expend funds on  
5           behalf of the candidate or the candidate’s au-  
6           thorized committees; or

7                   “(II) serving as a member, employee, or  
8           agent of the candidate’s authorized committees  
9           in an executive or policymaking position.

10           “(iv) An expenditure if the person making the  
11           expenditure has advised or counseled the candidate  
12           or the candidate’s agents at any time on the can-  
13           didate’s plans, projects, or needs relating to the can-  
14           didate’s pursuit of nomination for election, or elec-  
15           tion, to Federal office, in the same election cycle, in-  
16           cluding any advice relating to the candidate’s deci-  
17           sion to seek Federal office.

18           “(v) An expenditure if the person making the  
19           expenditure retains the professional services of any  
20           individual or other person also providing services in  
21           the same election cycle to the candidate in connec-  
22           tion with the candidate’s pursuit of nomination for  
23           election, or election, to Federal office, including any  
24           services relating to the candidate’s decision to seek  
25           Federal office. For purposes of this clause, the term



1       ‘professional services’ shall include any services  
2       (other than legal and accounting services solely for  
3       purposes of ensuring compliance with any Federal  
4       law) in support of any candidate’s or candidates’  
5       pursuit of nomination for election, or election, to  
6       Federal office.

7       For purposes of this subparagraph, the person making the  
8       expenditure shall include any officer, director, employee,  
9       or agent of such person.

10       “(18)(A) The term ‘express advocacy’ means when a  
11       communication is taken as a whole and with limited ref-  
12       erence to external events, an expression of support for or  
13       opposition to a specific candidate, to a specific group of  
14       candidates, or to candidates of a particular political party.

15       “(B) The term ‘expression of support for or opposi-  
16       tion to’ includes a suggestion to take action with respect  
17       to an election, such as to vote for or against, make con-  
18       tributions to, or participate in campaign activity, or to re-  
19       frain from taking action.”.

20       (b) CONTRIBUTION DEFINITION AMENDMENT.—Sec-  
21       tion 301(8)(A) of FECA (2 U.S.C. 431(8)(A)) is amend-  
22       ed—

23               (1) in clause (i), by striking “or” after the  
24       semicolon at the end;

1 (2) in clause (ii), by striking the period at the  
2 end and inserting “; or”; and

3 (3) by adding at the end the following new  
4 clause:

5 “(iii) any payment or other transaction referred  
6 to in paragraph (17)(A)(i) that is not an independ-  
7 ent expenditure under paragraph (17).”.

## 8 **TITLE III—MISCELLANEOUS** 9 **PROVISIONS**

### 10 **SEC. 301. RESTRICTIONS ON USE OF CAMPAIGN FUNDS FOR** 11 **PERSONAL PURPOSES.**

12 (a) RESTRICTIONS ON USE OF CAMPAIGN FUNDS.—  
13 Title III of FECA (2 U.S.C. 431 et seq.), as amended  
14 by section 213(a), is amended by adding at the end the  
15 following new section:

16 “RESTRICTIONS ON USE OF CAMPAIGN FUNDS FOR  
17 PERSONAL PURPOSES

18 “SEC. 326. (a) An individual who receives contribu-  
19 tions as a candidate for Federal office—

20 “(1) shall use such contributions only for legiti-  
21 mate and verifiable campaign expenses; and

22 “(2) shall not use such contributions for any in-  
23 herently personal purpose.

24 “(b) As used in this subsection—

1 “(1) the term ‘campaign expenses’ means ex-  
2 penses attributable solely to bona fide campaign pur-  
3 poses; and

4 “(2) the term ‘inherently personal purpose’  
5 means a purpose that, by its nature, confers a per-  
6 sonal benefit, including a home mortgage rent or  
7 utility payment, clothing purchase, noncampaign  
8 automobile expense, country club membership, vaca-  
9 tion, or trip of a noncampaign nature, household  
10 food items, tuition payment, admission to a sporting  
11 event, concert, theatre or other form of entertain-  
12 ment not associated with a campaign, dues, fees, or  
13 contributions to a health club or recreational facility  
14 and any other inherently personal living expense as  
15 determined under the regulations promulgated pur-  
16 suant to section 302(b) of the Senate Campaign  
17 Spending Limit and Election Reform Act of 1995.”.

18 (b) REGULATIONS.—Not later than 90 days after the  
19 date of enactment of this Act, the Federal Election Com-  
20 mission shall promulgate regulations consistent with this  
21 Act to implement subsection (a). Such regulations shall  
22 apply to all contributions possessed by an individual on  
23 the date of enactment of this Act.

24 **SEC. 302. CAMPAIGN ADVERTISING AMENDMENTS.**

25 Section 318 of FECA (2 U.S.C. 441d) is amended—

1 (1) in subsection (a)—

2 (A) in the matter preceding paragraph

3 (1)—

4 (i) by striking “Whenever” and insert-  
5 ing “Whenever a political committee makes  
6 a disbursement for the purpose of financ-  
7 ing any communication through any broad-  
8 casting station, newspaper, magazine, out-  
9 door advertising facility, mailing, or any  
10 other type of general public political adver-  
11 tising, or whenever”;

12 (ii) by striking “an expenditure” and  
13 inserting “a disbursement”; and

14 (iii) by striking “direct”; and

15 (B) in paragraph (3), by inserting “and  
16 permanent street address” after “name”; and

17 (2) by adding at the end the following new sub-  
18 sections:

19 “(c) Any printed communication described in sub-  
20 section (a) shall be—

21 “(1) of sufficient type size to be clearly read-  
22 able by the recipient of the communication;

23 “(2) contained in a printed box set apart from  
24 the other contents of the communication; and

1           “(3) consist of a reasonable degree of color con-  
2           trast between the background and the printed state-  
3           ment.

4           “(d)(1) Any broadcast or cablecast communication  
5           described in subsection (a)(1) or subsection (a)(2) shall  
6           include, in addition to the requirements of those sub-  
7           sections, an audio statement by the candidate that identi-  
8           fies the candidate and states that the candidate has ap-  
9           proved the communication.

10          “(2) If a broadcast or cablecast communication de-  
11          scribed in paragraph (1) is broadcast or cablecast by  
12          means of television, the communication shall include, in  
13          addition to the audio statement under paragraph (1), a  
14          written statement which—

15               “(A) appears at the end of the communication  
16               in a clearly readable manner with a reasonable de-  
17               gree of color contrast between the background and  
18               the printed statement, for a period of at least 4 sec-  
19               onds; and

20               “(B) is accompanied by a clearly identifiable  
21               photographic or similar image of the candidate.

22          “(e) Any broadcast or cablecast communication de-  
23          scribed in subsection (a)(3) shall include, in addition to  
24          the requirements of those subsections, in a clearly spoken  
25          manner, the following statement: ‘ \_\_\_\_\_ is

1 responsible for the content of this advertisement.’ (with  
2 the blank to be filled in with the name of the political  
3 committee or other person paying for the communication  
4 and the name of any connected organization of the payor).  
5 If broadcast or cablecast by means of television, the state-  
6 ment shall also appear in a clearly readable manner with  
7 a reasonable degree of color contrast between the back-  
8 ground and the printed statement, for a period of at least  
9 4 seconds.’’.

10 **SEC. 303. FILING OF REPORTS USING COMPUTERS AND**  
11 **FACSIMILE MACHINES.**

12 Section 302(g) of FECA (2 U.S.C. 432(g)) is amend-  
13 ed by adding at the end the following new paragraph:

14 “(6)(A) The Commission, in consultation with  
15 the Secretary of the Senate and the Clerk of the  
16 House of Representatives, may prescribe regulations  
17 under which persons required to file designations,  
18 statements, and reports under this Act—

19 “(i) are required to maintain and file them  
20 for any calendar year in electronic form acces-  
21 sible by computers if the person has, or has  
22 reason to expect to have, aggregate contribu-  
23 tions or expenditures in excess of a threshold  
24 amount determined by the Commission; and

1           “(ii) may maintain and file them in that  
2           manner if not required to do so under regula-  
3           tions prescribed under clause (i).

4           “(B) The Commission, in consultation with the  
5           Secretary of the Senate and the Clerk of the House  
6           of Representatives, shall prescribe regulations which  
7           allow persons to file designations, statements, and  
8           reports required by this Act through the use of fac-  
9           simile machines.

10          “(C) In prescribing regulations under this para-  
11          graph, the Commission shall provide methods (other  
12          than requiring a signature on the document being  
13          filed) for verifying designations, statements, and re-  
14          ports covered by the regulations. Any document veri-  
15          fied under any of the methods shall be treated for  
16          all purposes (including penalties for perjury) in the  
17          same manner as a document verified by signature.

18          “(D) The Secretary of the Senate and the Clerk  
19          of the House of Representatives shall ensure that  
20          any computer or other system that they may develop  
21          and maintain to receive designations, statements,  
22          and reports in the forms required or permitted  
23          under this paragraph is compatible with any such  
24          system that the Commission may develop and main-  
25          tain.”.

1 **SEC. 304. AUDITS.**

2 (a) RANDOM AUDITS.—Section 311(b) of FECA (2  
3 U.S.C. 438(b)) is amended—

4 (1) by inserting “(1)” before “The Commis-  
5 sion”; and

6 (2) by adding at the end the following new  
7 paragraph:

8 “(2) Notwithstanding paragraph (1), the Commission  
9 may after all elections are completed conduct random au-  
10 dits and investigations to ensure voluntary compliance  
11 with this Act. The subjects of such audits and investiga-  
12 tions shall be selected on the basis of criteria established  
13 by vote of at least 4 members of the Commission to ensure  
14 impartiality in the selection process. This paragraph does  
15 not apply to an authorized committee of a candidate for  
16 President or Vice President subject to audit under title  
17 VI or to an authorized committee of an eligible Senate  
18 candidate or an eligible House candidate subject to audit  
19 under section 522(a).”.

20 (b) EXTENSION OF PERIOD DURING WHICH CAM-  
21 PAIGN AUDITS MAY BE BEGUN.—Section 311(b) of  
22 FECA (2 U.S.C. 438(b)) is amended by striking “6  
23 months” and inserting “12 months”.



1 **SEC. 305. LIMIT ON CONGRESSIONAL USE OF THE FRANK-**  
2 **ING PRIVILEGE.**

3 Section 3210(a)(6)(A) of title 39, United States  
4 Code, is amended to read as follows:

5 “(A) A Member of Congress shall not mail  
6 any mass mailing as franked mail during a year  
7 in which there will be an election for the seat  
8 held by the Member during the period between  
9 January 1 of that year and the date of the gen-  
10 eral election for that Office, unless the Member  
11 has made a public announcement that the  
12 Member will not be a candidate for reelection to  
13 that year or for election to any other Federal  
14 office.”.

15 **SEC. 306. AUTHORITY TO SEEK INJUNCTION.**

16 Section 309(a) of FECA (2 U.S.C. 437g(a)) is  
17 amended—

18 (1) by adding at the end the following new  
19 paragraph:

20 “(13)(A) If, at any time in a proceeding described  
21 in paragraph (1), (2), (3), or (4), the Commission believes  
22 that—

23 “(i) there is a substantial likelihood that a vio-  
24 lation of this Act is occurring or is about to occur;

1           “(ii) the failure to act expeditiously will result  
2           in irreparable harm to a party affected by the poten-  
3           tial violation;

4           “(iii) expeditious action will not cause undue  
5           harm or prejudice to the interests of others; and

6           “(iv) the public interest would be best served by  
7           the issuance of an injunction,

8           the Commission may initiate a civil action for a temporary  
9           restraining order or a temporary injunction pending the  
10          outcome of the proceedings described in paragraphs (1),  
11          (2), (3), and (4).

12          “(B) An action under subparagraph (A) shall be  
13          brought in the United States district court for the district  
14          in which the defendant resides, transacts business, or may  
15          be found, or in which the violation is occurring, has oc-  
16          curred, or is about to occur.”;

17                 (2) in paragraph (7), by striking “(5) or (6)”  
18                 and inserting “(5), (6), or (13)”;

19                 (3) in paragraph (11), by striking “(6)” and in-  
20                 serting “(6) or (13)”.

21         **SEC. 307. SEVERABILITY.**

22                 If any provision of this Act, an amendment made by  
23                 this Act, or the application of such provision or amend-  
24                 ment to any person or circumstance is held to be unconsti-  
25                 tutional, the remainder of this Act, the amendments made

1 by this Act, and the application of the provisions of such  
2 to any person or circumstance shall not be affected there-  
3 by.

4 **SEC. 308. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.**

5 (a) DIRECT APPEAL TO SUPREME COURT.—An ap-  
6 peal may be taken directly to the Supreme Court of the  
7 United States from any interlocutory order or final judg-  
8 ment, decree, or order issued by any court ruling on the  
9 constitutionality of any provision of this Act or amend-  
10 ment made by this Act.

11 (b) ACCEPTANCE AND EXPEDITION.—The Supreme  
12 Court shall, if it has not previously ruled on the question  
13 addressed in the ruling below, accept jurisdiction over, ad-  
14 vance on the docket, and expedite the appeal to the great-  
15 est extent possible.

16 **SEC. 309. REPORTING REQUIREMENTS.**

17 (a) CONTRIBUTORS.—Section 302(c)(3) of FECA (2  
18 U.S.C. 432(c)(3)) is amended by striking “\$200” and in-  
19 serting “\$50”.

20 (b) DISBURSEMENTS.—Section 302(c)(5) of FECA  
21 (2 U.S.C. 432(c)(5)) is amended by striking “\$200” and  
22 inserting “\$50”.

1 **SEC. 310. EFFECTIVE DATE.**

2 Except as otherwise provided in this Act, the amend-  
 3 ments made by, and the provisions of, this Act shall take  
 4 effect on January 1, 1997.

5 **SEC. 311. REGULATIONS.**

6 The Federal Election Commission shall prescribe any  
 7 regulations required to carry out this Act not later than  
 8 9 months after the effective date of this Act.



S 1219 IS—2

S 1219 IS—3

S 1219 IS—4

S 1219 IS—5